

**BEFORE THE
FEDERAL ELECTION COMMISSION**

American Democracy Legal Fund
455 Massachusetts Avenue, N.W.
Washington, DC 20001

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FEDERAL ELECTION
COMMISSION

2014 DEC -4 PM 12: 24

OFFICE OF GENERAL
COUNSEL

Complainant,

v.

Mr. Mike Huckabee
P.O. Box 2008
Little Rock, AR 72203

MUR 6907

Respondent.

COMPLAINT

Complainant files this complaint under 52 U.S.C. § 30109(a)(1) against Mike Huckabee ("Respondent") for violating the Federal Election Campaign Act of 1971, as amended ("the Act") and Federal Election Commission Regulations, as described below.

Respondent recently created America Takes ACTION, Inc. ("ATA"), a nonprofit corporation organized under section 501(c)(4) under the Internal Revenue Code. As discussed below, ATA's veiled purpose is to plan Respondent's 2016 presidential run. ATA employs Respondent's political advisors and aides, including his chief political consultant and former campaign manager, all of whom are currently being compensated by ATA to explore the feasibility of Respondent's candidacy for president. Accordingly, Respondent is using corporate money to fund his "testing the waters" activities in violation of 11 C.F.R. § 100.72.

A. FACTS

According to publicly available news reports, it has become increasingly likely that Respondent, a candidate for the Republican nomination for president in 2008 and current Fox

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News Channel commentator, is planning to run for president in 2016.¹ A November 12, 2014 *Washington Post* article examines in detail how Respondent is "reconnecting with activists and enlisting staff to position himself in a growing field of potential Republican presidential candidates."² Respondent's daughter and political confidante told the *Washington Post* that Respondent's "heart is into [running for president again]," he is being more aggressive in taking on meetings, and he "can't wait to get back to South Carolina and Iowa."³

Indeed, since July 2013 when Respondent reportedly told his former campaign manager that he wanted to start mapping out a 2016 presidential run, Respondent and his staff have taken several measures to explore and plan for his candidacy.⁴ Respondent's advisors, including ATA employees, are reportedly currently looking for a space in Little Rock, Arkansas to serve as campaign headquarters.⁵ Respondent is scheduled to spend much of November 2014 holding private meetings with wealthy Republican donors in Las Vegas, New York and California to gauge their interests in his candidacy and to ask for pledges to ATA and Huck PAC, Respondent's political action committee. And, Respondent recently embarked on an international trip with more than 100 pastors and religious leaders from early primary states including Iowa, New Hampshire, South Carolina, and Nevada.⁶

In preparation for his candidacy, Respondent also created ATA, a nonprofit corporation organized under section 501(c)(4) of the Internal Revenue Code. Publicly available news reports

¹ Tom Hamburger & Robert Costa, "Mike Huckabee Rebuilds Political Team with Eye on Another Presidential Run," *Washington Post*, Nov. 12, 2014, available at http://www.washingtonpost.com/politics/mike-huckabee-rebuilds-political-team-with-eye-on-another-presidential-run/2014/11/12/8cb28ccc-69b3-11e4-b053-65cea7903f2e_story.html; John McCormick, "Mike Huckabee May Be Planning an Iowa Encore," *Bloomberg Politics*, Nov. 2, 2014, available at <http://www.bloomberg.com/politics/articles/2014-11-02/mike-huckabee-may-be-planning-an-iowa-encore>; Ben Dimiero, "Mike Huckabee: My Fox News Show Helps Me for 2016," *Real Clear Politics*, Oct. 24, 2014, available at <http://mediamatters.org/blog/2014/10/24/mike-huckabee-my-fox-news-show-helps-me-for-2016/201305>.

² Hamburger & Costa, *supra* note 1.

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ *Id.*

even though funds received for testing the waters activities are not initially considered contributions, such funds become contributions if the individual subsequently becomes a candidate.¹² Thus, a candidate who accepted corporate funds for testing the waters activities has accepted corporate contributions in violation of the Act.¹³

Publicly available reports indicate that ATA is merely a precursor to Respondent's principal campaign committee. ATA was created to allow Respondent to engage in political exploratory efforts and at the same time, skirt Fox News' rules on political activity since the group is technically classified as a social welfare organization, not as a political committee or other type of political organization.¹⁴ In other words, ATA is a social welfare organization in name only. It is functioning as Respondent's exploratory committee in disguise.

As stated *supra* Part A, the *Washington Post* reported that ATA serves as an "employment perch" for Respondent's political team, and that ATA was formed to "serve as a landing spot for staff and money."¹⁵ ATA employs many of Respondent's closest advisors who will comprise his campaign staff when he announces his candidacy. These ATA employees include Chip Saltsman, Respondent's campaign manager from his 2008 campaign; Bob Wickers, a political strategist, Sarah Huckabee, Respondent's daughter and political confidante, and Alice Stewart, a communications director who also worked on Respondent's 2008 campaign staff. These employees are engaged in political work, namely exploratory efforts on behalf of Respondent's candidacy for president, including looking for a possible campaign headquarters.¹⁶

It appears that ATA is compensating these employees for engaging in exploratory efforts and other political activities on behalf of Respondent. This arrangement is a plain violation of 11

¹² 11 C.F.R. § 100.72.

¹³ See 52 U.S.C. § 30118(a).

¹⁴ *Hamburger & Costa, supra* note 1.

¹⁵ *Id.*

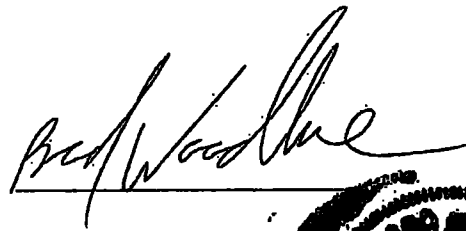
¹⁶ *Id.*

C.F.R. § 100.72(a), as Respondent is using prohibited corporate money in the form of salary payments to fund his exploratory efforts. Furthermore, because funds used to "test the waters" will become contributions when Respondent officially becomes a candidate, the salary payments will constitute corporate in-kind contributions to his principal campaign committee in violation of 52 U.S.C. § 30118(a).

C. REQUESTED ACTION

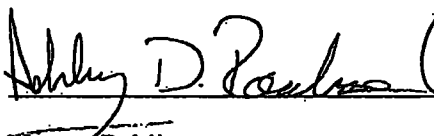
As we have shown, Respondent has violated the Act and Commission regulations by accepting funds from a prohibited source to pay for testing the waters activities. We respectfully request that the Commission promptly investigate this violation, and that Respondent be enjoined from further violations and be fined the maximum amount permitted by law.

Sincerely,



SUBSCRIBED AND SWORN to before me this 19 day of November, 2014



 (Ashley D. Roseboro)

Notary Public

My Commission Expires:

Feb 28, 2019